

STATE BOARD OF EXAMINERS
MINUTES – Regular Meeting
August 18, 2026 – 8:55 a.m.
State Capitol, House Committee Room EW40,
Lower Level, East Wing
700 West Jefferson Street, Boise, Idaho

The regular meeting of the State Board of Examiners was called to order pursuant to Idaho Code §67-2002 and by the order of the chair at 8:55 a.m. The following board members were present: Governor Brad Little, Secretary of State Phil McGrane and State Controller Brandon Woolf, as secretary of the Board of Examiners. Attorney General Raul Labrador was absent

Controller Woolf introduced and reviewed each of the consent agenda items.

Governor Little questioned the proposed increase in the State Treasurer's investment administration fee (agenda item #2), including the timing and methodology for setting the rate. Laura Steffler, Chief Deputy with the State Treasurer's Office, was present and explained that the fee is based on the investment program's operating costs and average daily portfolio balance. She further explained the rate decreased when COVID-era federal stimulus funds increased the portfolio balance and has since increased as those funds were spent and the balance declined. Program costs have remained relatively stable, with an increase related to adding a portfolio management position. Other costs include maintaining the investment system, obtaining securities pricing, external investment oversight, and monitoring daily cash flow. Ms. Steffler noted that previous fee holidays occurred when the program had accumulated excess cash. Federal requirements limit internal service fund balances, and the Treasurer's Office generally maintains no more than approximately two months of operating expenses. The Board-approved percentage rate is adjusted annually based on anticipated costs and the average daily portfolio balance. Idaho Code requires annual Board approval but does not prescribe the calculation methodology. Ms. Steffler elaborated that the local government investment pool follows a different monthly methodology. The Treasurer's Office requested approval at the meeting so the new rate could be applied to the current interest distribution. Governor Little indicated that he supported the proposed fee but requested that the matter be brought before the Board earlier in future years to allow additional time for review and discussion.

The Board discussed the proposed mileage reimbursement rate. Governor Little noted that the Board typically follows the federal rate but moved to set Idaho's rate at 75.0 cents per mile, rather than the federal rate of 76.0 cents per mile as the cost of driving may be lower in Idaho than in other areas of the country. Mr. McGrane noted the increase would provide additional reimbursement to employees amid elevated fuel costs. Controller Woolf noted that Board policy automatically adopts decreases in the federal rate, while increases require Board review.

Governor Little also asked about the status of charging an administrative fee for contract assignments. Controller Woolf noted that Brian Benjamin, Justin Collins and Steven Bailey from the Department of Administration were working to incorporate such fees into future contracts.

Governor Little moved to approve the consent agenda. Secretary of State Phil McGrane seconded the motion. The motion passed by unanimous voice vote, including the amended mileage rate of 75.0 cents per mile. Controller Woolf then reviewed the informational agenda items.

Secretary of State Phil McGrane moved to adjourn the meeting. Governor Little seconded the motion. There being no further business before the board and on motion duly made and seconded, THE MEETING OF THE STATE BOARD OF EXAMINERS WAS ADJOURNED at 9:10 a.m.

CONSENT AGENDA

1. Minutes – Action Item - Approved

Approval of official minutes for the meeting of the Board of Examiners on July 21, 2026.

2. State Treasurer’s Office – Action Item – Approved

Request pursuant to Idaho Code §67-1210 for approval of the State Treasurer’s annual investment administration fee to be charged to State agencies for FY 2027.

3. Department of Administration – Division of Public Works - Action Item- Approved

Request for recognition of assignment from DNKK, LLC to HE Jerome LLC. A transfer of interest in the real property lease of the State of Idaho, by and through the State Liquor Division, as “Lessee,” and Lessee’s occupancy of 1104 South Lincoln Avenue, Jerome, Idaho.

4. Idaho State Department of Agriculture – Action Item – Approved

Request for deficiency warrant spending approval as authorized under the Idaho Invasive Species Act of 2008, Section 22-1912, Idaho Code, for the treatment of quagga mussels in the Snake River near Twin Falls.

5. State Controller’s Office – Action Item – Approved to 75.0 cents

Notification that the Federal mileage rate has increased 3.5 cents. The federal rate for business use was 72.5 cents since January 1, 2026, and is now 76.0 cents, effective July 1, 2026. The current State of Idaho mileage rate is at 70.0 cents. The State Controller recommends the State of Idaho consider amending the State Travel policy to reflect the updated mileage rate and recommends the rate be changed to 76.0 cents to match the Federal rate, effective September 1, 2026.

INFORMATIONAL AGENDA

6. Idaho Office of Emergency Management

Report of hazmat cost recovery updates for deficiency warrants issued in fiscal year 2026.

7. Attorney General’s Office

Report of Special Deputy Appointments for the fourth quarter of fiscal year 2026.

8. Idaho Department of Education

Notification that Alica Holthaus has been approved to accept additional outside employment pursuant to Idaho Code §59-512.

9. State Insurance Fund

- a. Estimate of the State Insurance Fund expenses to be paid by sight drafts for the month of July 2026.

Estimated expenditure for workers compensation claim costs, dividends, and premium refunds	\$22,000,000.00
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Funds Expended in June 2026:	
Workers Compensation Claim Costs	\$12,345,253.50
Dividends	\$0
Commission	\$0
<u>Policy Refunds</u>	<u>\$191,025.75</u>
Total	\$12,536,279.25

- b. Estimate of the Idaho Petroleum Clean Water Trust Fund expenses to be paid by sight drafts for the month of July 2026.

Estimated expenditure for Idaho Petroleum Clean Water Trust Fund	\$750,000.00
Funds Expended in June 2026:	
Payroll	\$69,041.00
Operations	\$26,636.00
<u>Claim Costs</u>	<u>\$222,785.15</u>
Total	\$318,462.15